

As a result of this calculation, line 17 in Part III is \$1,944, which is the total of Dave and Valerie's education credits. This is the amount that should be entered on line 50 of their Form 1040.

Part III Allowable Education Credits					
7	Tentative education credits. Add lines 2 and 6		7		
8	Enter: \$107,000 if married filing jointly; \$53,000 if single, head of household, or qualifying widow(er)	8			
9	Enter the amount from Form 1040, line 38*, or Form 1040A, line 22	9			
10	Subtract line 9 from line 8. If zero or less, stop ; you cannot take any education credits	10			
11	Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	11			
12	If line 10 is equal to or more than line 11, enter the amount from line 7 on line 13 and go to line 14. If line 10 is less than line 11, divide line 10 by line 11. Enter the result as a decimal (rounded to at least three places)		12	×	.
13	Multiply line 7 by line 12	13			
14	Enter the amount from Form 1040, line 46, or Form 1040A, line 28	14			
15	Enter the total, if any, of your credits from Form 1040, lines 47 through 49, or Form 1040A, lines 29 and 30	15			
16	Subtract line 15 from line 14. If zero or less, stop ; you cannot take any education credits	16			
17	Education credits. Enter the smaller of line 13 or line 16 here and on Form 1040, line 50, or Form 1040A, line 31	17			

* If you are filing Form 2555, 2555-EZ, or 4563, or you are excluding income from Puerto Rico, see Pub. 970 for the amount to enter.